REMARKS/ARGUMENTS

Favorable reconsideration of this application as presently amended and in light of the following discussion is respectfully requested.

Claims 2-4 and 16-31 are pending in the present application. Claims 2, 3, 16, 17 and 19 are amended and new Claims 20-31 are added by the present amendment. Claims 1 and 5-15 were canceled by a previous amendment.

Claim amendments and new claims find support in the specification and claims as originally filed, at least at page 15, line 1, to page 17, line 14, page 22, lines 5-27, and Figure 6B. Thus, no new matter is added.

In the outstanding Office Action, Claims 2-4 and 16-19 were rejected under 35 U.S.C. § 102(e) as anticipated by U.S. Patent No. 5,978,029 to <u>Boice et al.</u> (herein "<u>Boice</u>").

Applicants respectfully traverse that rejection.

Claim 2 is directed to a video encoding apparatus that includes, *inter alia*, an output unit configured to output an encoded bit stream generated by an encoder as an encoded output. The encoding parameter generator includes a setting unit configured to correct a frame rate as well as a quantization step size by setting a weighted parameter to the frame rate as well as setting a weighted parameter to the quantization step size for macro blocks of frames to be encoded. Independent Claims 3, 16, 17 and 19 include similar features.

Applicants respectfully submit that <u>Boice</u> does not teach or suggest each of the features of the claimed invention. Further, Applicants respectfully traverse the assertion in the outstanding Office Action that <u>Boice</u> discloses "a setting unit configured to correct a frame rate (<u>Boice</u>: column 7, lines 20-30; column 12, lines 23-25; column 14, lines 35-50: "real-time encoding" based on "repeat fields") by setting a weighted parameter to the frame rate as well as setting a weighted parameter to the quantization step size." <u>Boice</u> describes

9

¹ Office Action at page 4, lines 1-5.

the use of a quantization step size in detail referring to Fig. 9. However, <u>Boice</u> merely indicates that "notification of repeat fields" is one of the controllable parameters.² Applicants respectfully note that <u>Boice</u> does not further describe the "notification of repeat fields" and does not indicate that the repeat fields are in any way similar to any frame rate. Thus, <u>Boice</u> does not teach or suggest "a setting unit configured to correct a frame rate as well as a quantization step by setting a weighted parameter to the frame rate," as recited in independent Claim 2, and as similarly recited in independent Claims 3, 16, 17 and 19.

Accordingly, Applicants respectfully submit that independent Claims 2, 3, 16, 17 and 19, and claims depending therefrom, are allowable.

Consequently, in light of the above discussion and in view of the present amendment, the present application is believed to be in condition for allowance and an early and favorable action to that effect is respectfully requested.

Respectfully submitted,

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² <u>Boice</u> at column 12, lines 23-26.